L O C C S /V R S Instructions For Grantees

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Chapter I.   Summary of the Line Of Credit Control System (LOCCS)/ Voice Response System (VRS) Payment System

LOCCS is the system HUD uses to disburse and track the payment of grant funds to Grant recipients (i. e. grantees). Grantees request program funds through an automated VRS payment system that is maintained by LOCCS. Grantees use VRS to request funds via a touch-tone telephone. Synthesized text-to-speech dialogue is used to request payment data from the caller.

The VRS requires the caller to enter a LOCCS program Area User ID, password, and a Voice Response grant number to ensure that the caller has authority to request grant funds for his/ her particular grant. The requested payment amount is checked against the grant's available balance in LOCCS to ensure that the request does not exceed the grant's authorized funding limit. LOCCS will only allow one draw per day on a given grant, unless funds are requested by project or subgrantee.

Once a request/ draw is approved, funds are sent from the U. S. Treasury directly to the grantee's bank account, usually within 48 hours from the day the request is made.

Chapter II. Using the Voice Response System (VRS) Payment System

A. Creating the Line of Credit Control System (LOCCS) Account

In order to gain access to LOCCS, grantees must complete the following forms and mail them to their local Field office:

- LOCCS Voice Response Access Authorization, Form HUD 27054.
  (Appendix 1 has instructions for completing this form.)

- Direct Deposit Sign-up Form (SF-1199A). Appendix 2 has instructions for completing this form.

Note: Grantees should maintain copies of these forms for their own records.

Once HUD receives the forms, we will send grantees a letter containing a User ID and Password, enabling them to access their account in LOCCS. Only users with valid User IDs and Passwords may access LOCCS/ VRS. These users will be authorized to perform Query and/ or Project drawdown functions. Likewise, users are only allowed access to those programs, projects, and functions that have been properly requested and approved by the LOCCS Security Officer at HUD Headquarters in Washington, DC.

B. Accessing LOCCS/ VRS

1. Access Authorization and User IDs

The LOCCS Security Officer will notify each authorized individual, who submitted a Form HUD-27054, of his/ her User ID via a User ID Authorization Letter (Appendix 3). This letter should be opened by the addressee only. If the recipient of a User ID finds that the envelope containing his/ her User ID has been opened prior to receipt, he/ she should immediately notify the LOCCS Security Officer at (202)-708-0764 or TOLL FREE 1-877-705-7504.

The letter will state that the user must access LOCCS by a certain date. Although the user will not have to request a drawdown in order to access the LOCCS/ VRS system, the user must input his/ her authorized password. If the system is not accessed by the date specified in the letter, the user's authorization will be canceled and another original notarized form HUD-27054 must be resubmitted.

2. Passwords

The authorized individual will establish an initial password for the User ID. Subsequent passwords must be changed within 60 days from the last time a password is established. The authorized user will enter the password change through the VRS system.
There are several reasons why grantees may have to resubmit the Form HUD-27054 throughout the course of their grant. Please note the following:

- If the system will not allow password reset, grantees will need to complete another LOCCS Form HUD-27054. Check "password reset" in block 1.

- It may be necessary to cancel a User ID because of loss, theft or change in personnel. Grantees may cancel a User ID/Password by completing a form HUD-27054, indicating in Box 1 that the user's access should be terminated.

- In either of these instances, grantees may fax their forms to their local Field office. The Field staff will in turn fax the form to the LOCCS Security Officer at HUD Headquarters.

- If a grantee's password expires, LOCCS will terminate access. The grantee then must submit another original and notarized Form HUD-27054.

- New User IDs may be requested by submitting a Form HUD-27054 with the appropriate notarized approval signatures.

- Grantees must mail original, notarized forms to local Field Offices. The Field staff will mail the forms to the LOCCS Security Officer.

3. Safeguarding User IDs and Passwords

In order to ensure the security of the data in the LOCCS/ VRS System, each individual with access to the System must safeguard his/ her User ID and password. User IDs and passwords must NOT be shared with others. This also applies to HUD staff who have been authorized to access LOCCS. Only authorized users should access the System. A breach of the System's security requirements will result in immediate expiration of a User ID and Password and will not be re -instated.

4. Troubleshooting

If grantees have any problems completing the Form HUD-27054, or do not receive User IDS or Passwords in a timely manner, please contact the LOCCS Security Officer at (202) 708-0764 or TOLL FREE 1-877-705-7504.

C. Establishing a Grant Account

1. Selecting a Financial Institution

Each Grant recipient/ grantee must identify an existing account or establish a bank account in a financial institution to serve as the designated Grant bank account for the receipt and deposit of grant funds requested from the U. S. Treasury. The account may be a separate bank account or a subsidiary account within the grantee's general fund (or other fund). The financial institution must be capable of receiving Automated Clearinghouse (ACH) wire transfer payments. This bank account must be in the grantee's name and allow the grantee to issue checks to all payees (named on the check). Checks drawn against this bank account will allow the Grant Account recipient/grantee to maintain a record of each payment received.

2. Direct Deposit Sign-Up Form

Once the Grant recipient/ grantee has secured a financial institution, the grantee must complete and submit a Direct Deposit sign-up Form (SF-1199A) to the appropriate program office. This form identifies the name of the financial institution, American Banking Association (ABA) Transit Routing Number and bank account into which grant funds will be deposited. All funds will be wire transferred from the U. S. Treasury directly into the grantee's bank account. A copy of this form is enclosed, and Appendix 2 has instructions for completing this form.

After the grantee has completed Sections 1and 2 and the grantee's financial institution has completed Section 3, return the form AND A BLANK CHECK marked CANCELED or VOID to the local Field Office.

Please note that failure to include the canceled check will delay the receipt of funds. Any change in the ABA Transit Routing Number or the account number will require submission of a new signed and dated SF-1199A.

3. Voice Response System (VRS) Number

Once the Grant recipient/ grantee has returned the signed Grant Agreement and Forms HUD-27054 and SF 1199A, the grantee will receive a letter containing the organization's computer-generated VRS Number (Appendix 4).

Grant numbers are alpha numeric, making it difficult to specify them over a touch-tone phone. To simplify the process, LOCCS automatically assigns a unique all-numeric, 10-digit number to each grant.

D. Preparing the Voucher

Line of Credit Control System/Voice Response System (LOCCS/VRS) Payment Voucher, form HUD-50080-SCMF *(Appendix 5 has instructions for completing this form).*

Note: The Grant recipient/ grantee must keep the original voucher.

E. Drawing Down Funds through VRS

1. Telephone Request

The LOCCS/ VRS phone numbers are (301) 344-0132 or TOLL FREE 1-877-705-7505. Hours of operation Monday through Friday are 8: 00 a. m. to 7: 00 p. m. Eastern Time. After the initial greeting, a menu selection is given. LOCCS is selection number 2.

2. ID and Password

The caller must have a properly completed voucher in hand as a reference when making the call. LOCCS will first ask for the caller's User ID and Password to verify that the caller is authorized to draw down funds. Once LOCCS validates the User ID and Password, it will inform you that you are an authorized user. Then, you will be asked to press 1 for Voucher Entry or press 2 for Query Selection.

3. <u>Voucher Number</u>

The Voucher Number has two parts:

- First Part -Three-digit Program Area Number
  The three digit number for the Service Coordinator program in Multifamily Housing is 085. LOCCS/ VRS will ask the caller for the Program Area Number. The caller enters the three-digit Program Area Number (085) from Block 1 of the form HUD–50080-SCMF.

- Second Part-Six-digit system generated voucher number suffix
  LOCCS/ VRS will give the caller the remaining 6 digits of the voucher number. The caller must write the six digits voucher number in Block 1 of the voucher form. The caller will be required to enter the entire 9-digit voucher number for verification before the call is terminated. This procedure also ensures that each voucher number is unique.

4. <u>Entering the VRS Number</u>

LOCCS/ VRS will ask the caller to enter the 10-digit VRS number for which funds are being requested. When the VRS number is keyed in, the VRS synthesized voice will speak the HUD project/ grant number for the caller to ensure the correct VRS number was keyed.

5. <u>Entering the Voucher Amount</u>

The caller will then enter the amount of funds to be drawn, followed by the pound (#) sign. Since LOCCS/ VRS does not know the exact voucher amount to be entered, the caller must enter the pound (#) sign last to indicate that his/ her entry is complete. Also, the asterisk (*) sign should be used in lieu of the decimal point. For example, to request $28,569.39, the caller would enter: 2 8 5 6 9 * 3 9 #

LOCCS/ VRS then verifies the amount entered. This gives the caller an opportunity to continue processing or cancel the request. If the caller has made a drawdown request in error and wishes to cancel the request after the call has been completed, he/ she must notify the local Field staff. The drawdown request can be canceled if done before 5: 00 p. m., Eastern Time, of the day that the request was made.

6. <u>Various Outcomes of a Request for Payment</u>

- The request is consistent with all edits, and the payment is approved either on-line or the caller is required to contact their local Field office for payment approval. The requested funds are sent to the grantee's bank account, in most cases within 48 hours of the request.

- The grantee is unable to request any funds and is told that all-further request for funds have been suspended. This occurs when the grantee is in violation of his/ her grant agreement. Once the violation is corrected/ rectified, the suspension will be lifted and the grantee may continue to request funds.

- A request for a drawdown is rejected. If the grantee does not know why the request was rejected, the grantee should contact the local Field staff for assistance.

Chapter III. Queries

In addition to drawdown capability, LOCCS/ VRS allows grantees to query the system for various information. The initial menu will give grantees this option at the start of each VRS call. The available query functions are as follows:

A. Grant Query

LOCCS/ VRS will give current authorized, disbursed, and available balance totals for the selected grant, along with general grant status.

B. Voucher Query

By entering a voucher number, the status of the voucher is given. This includes when and who called in the voucher, and if the voucher has been paid, canceled, or is out for review.

C. Last Assigned VRS Grant Number

By specifying a Tax ID number, the last assigned VRS number for the selected program area is given by electronic voice. This is useful if the caller has not received the LOCCS/ VRS-generated letter with the assigned VRS number, but wishes to draw down funds. Grantees can also obtain their VRS numbers from their local Field staff.

Chapter IV. Change of Address

In the event of an address change the LOCCS user must complete a HUD form 27054.
Under type of function(Block1), the user should check item 7 (change address), and complete the entire form. The form does not need to be notarized. The form should be faxed to the local Field office and the Field staff will fax the form to the CFO Security Office.

Chapter V. Changing Approving Officials

In the event that a Grant recipient/ grantee changes its approving official, it must provide written notification to the LOCCS Security Office. This notification must be on the organization's letterhead and must include the following:

- Name and title of the new approving official.
- Social Security Number (SSN).
- Daytime telephone.
- Address of the new approving official.
- Name of the previous approving official. (no SSN).
- List the existing users (no SSN) so that we may change approving officials.
- Sign, date, and notarize the new approving official's signature.
- Mail the notification to:
  U. S. Department of Housing and Urban Development
      Office of the Chief Financial Officer, FYM
      Attention: LOCCS Security Team
        P. O. Box 23774
      Washington, DC 20026-3774
          <u>or</u>
  fax: (202)-708-4350 (**and then mail original**).
- Office Telephone: 202-708-0764 or Toll free 1-877-705-7504

Upon receipt of this document, LOCCS Security will re-certify the official and the grantee staff. The approving official will receive an official letter, containing instructions for semi-annual re-certification within the next six months. Grantees will not be notified until this time.

How to Complete the HUD-27054, LOCCS Voice Response Access Authorization For Completion by Grantee

1. Type of Function:
    a. New User: User does not currently have a LOCCS user ID. Form must be notarized with original signatures.
    b. Reinstate User: Used to renew the user's access authorization in LOCCS. Form must be notarized with original signatures.
    c. Terminate User: will immediately terminate the user's access authorization in LOCCS.
    d. Reset Password for active users: A temporary password will be mailed back to the user to inform him/ her of the reset password's value. The user will be required to change the password on the next access to LOCCS.
    e. Add new Program Area or Tax ID: user has a current user ID and will be increasing access capability.
    f. Change Tax ID: User has a current ID and will be changing the Tax ID.
    g. This function is not to be used to change approving official, or substitute a user. Contact Field Office contact for procedures.
    h. Change Address: User is changing the current mailing address.
    i. Resend User-ID. User has no knowledge of existing User-ID. User must send an original notarized form.

2. User ID & SSN

    a. User ID
    If the caller is a new user, leave this block blank. If the caller has a HUD User ID, fill that number in.

    b. Social Security Number
    Enter the Social Security Number of the caller. This is mandatory.

3. User information

    All fields are mandatory. Failure to enter any of these fields may cause the security request to be rejected.

4. Recipient Organization for which Authority is being requested

    This information will identify the organization the user will be representing. Enter the grantee's Tax Identification Number and your organization's name.

5. Program Area & Name

    a. LOCCS Program Area
    Enter the four character LOCCS Program Area. If the grantee does not know the four-character alpha numeric LOCCS Program Area that is associated with the grant, the grantee should contact their HUD Program/ Field Office staff.

    b. Program Name

Enter Grant Program Name if the grantee does not know the Program Area that is associated with the grant, the grantee should contact their HUD Program/ Field Office staff.

c. Enter "Q" for Query only access or "D" for Drawdown access.
Users who select Drawdown access will automatically receive Query access.

6. **Authorized User's Signature and Date**
The signature of the user requesting access.

7. **Approval**
This block is for the approving official representing the grantee. Approving officials must be the Chief Executive Officer or the designated representative of the organization . Approving officials cannot approve themselves for access to the system.

8. **Notary**
Each new and re-instated user form must be notarized.

Section 1 - To be completed by the grantee

Block A - Print or type the name and address of the grantee organization and the telephone number of the person completing the form.

Block B - Leave Blank

Block C - Print or type your Grant Number, which is on the letter, which notified you of your grant award. Print or type the Tax Identification Number of the organization below the project number.

Block D - Mark with an "X" the type of account into which your Grant funds will be directly deposited. You must choose either Checking or Savings.

Block E - Print or type the number of the account into which your Grant funds will be deposited. If your financial institution does not use account numbers, up to 17 characters of the depositor's name or other identification may be entered. Dashes are acceptable as part of the number, but spaces are not acceptable. The depositor's account number must be formatted exactly as it appears in the financial institution's records.

Block F - Check other and enter the name of the Program

Block G - Leave Blank

Payee/ Joint Payee Certification
The Certification should be signed by the Chief Executive Officer or the designated representative of the organization completing the form. If additional signature lines are required, use a plain sheet of paper and attach it to the form. Be sure to place your name and grant number on the sheet so that, if it becomes separated, HUD will know for which grant it is. All signatures must be original. Forms containing duplicated copies of signatures will not be processed and will result in delays.

Section 2 - Print or type the following name and address in this section
U. S. Department of Housing and Urban Development
Office of the Chief Financial Officer
CFO National Accounting Center
P. O. Box 901013
Fort Worth, TX 76101

Section 3 - To be completed by your financial institution
NOTE: DO NOT HAVE THE FINANCIAL INSTITUTION MAIL THE FORM. THE FORM SHOULD BE MAILED TO THE APPROPRIATE PROGRAM OFFICE.
- Print or type the name and address of your financial institution, the Routing Number and Check Digit.
- Enter the name of the entity to receive the funds in the "Depositor Account Title" block.

- The financial institution's representative signs and dates the form. The telephone number, including the area code, must also be provided so that HUD can verify information.
- The completed form, and a blank check marked *canceled or void*, must be returned to the address shown in Section 2 above. Failure to include the canceled check will delay receipt of funds.

Appendix 3:
Sample VRS Number Notification Letter

U. S. Dept. of HUD
P. O. Box 23774
Washington, DC 20026-3774

Grantee Name
Grantee Address
Date
U. S. Dept. of Housing and Urban Development
Line of Credit Control System (LOCCS)

Re: Grant Number

Dear Grant Recipient:

This is to advise you of the assignment of your LOCCS Voice Response project number. This number is to be used for telephone queries and requests for funds disbursement.

Your Voice Response project number for grant [XXXXXX Grant Number] is: [VRS Number]. If you have any questions concerning this matter, please call the HUD Program/ Field Office. Thank you for your participation in the XXXXX Grant Program.

U. S. Dept. of HUD
Office of the Chief Financial Officer
Attn: LOCCS Security
P. O. Box 23774
Washington, DC 20026-3774

Grantee Name
Grantee Address
Date
U. S. Dept. of Housing and Urban Development
Line of Credit Control System (LOCCS)

Re: LOCCS Voice Response System (VRS) Access Authorization

Dear Grantee:

Your request for LOCCS Voice Response System access has been approved.
Your new User ID is [7 digit number].

To activate this access authorization, you must call the HUD VRS at (703) 391-1400 or toll free
1-. 877-705-7505 by [45 days from date listed above] You need not draw down funds at this
time, but you will be asked to select a password.

***Failure To Activate Your User ID and Access by the Designated Date Will Result in Automatic
Cancellation of This Approval!***

The attached sheet contains general information on the HUD Voice Response System. You
should retain this sheet and have it readily accessible when you call VRS. More detailed
information about this VRS is contained in the XXXXXXXX Grant Program Instructions.
Your User ID will be terminated if it is not used for a given six-month period. To avoid being
terminated, you should call the VRS on at least a quarterly basis and change your password.

This access has been approved for the following Program Area, Recipient Tax ID, and function:
SCMF
Tax ID: [Grantee's TIN]
Name of Grantee: ___ Query and/ or___ Drawdown
If you have any questions concerning security matters, please call the LOCCS Security Officer at
(202) 708-0764 or toll free 1-877-705-7504.
You can access the HUD Voice Response System by calling (301) 344-0132 or toll free
1-877-705-7505.

A. Use a touch-tone phone to enter numeric values and selections per Voice instructions.
Select HUD's Line of Credit Control System (LOCCS) by pressing "2" after the voice greeting.

B. When entering fields of variable length such as a voucher amount, remember to follow the
amount with a "#". Draw down whole dollar amounts only.

Anytime that input is requested, one of the following can be used:
#8 Repeat the last thing spoken
#9 Return to previous menu selection
#0 Quit Immediately
#1 Return to initial VRS Menu selection

C. For Budget Line Item Requests
9999 Entry after final line item is entered
3# To cancel the last budget line item requested.

Save This Sheet And Keep It Readily Accessible For Use When Calling the VRS.

How To Complete the Line of Credit Control System/Voice Response System (LOCCS/VRS) Payment Voucher, form HUD-50080-SCMF

Block 1 - Voucher Number:
Enter the three-digit Program Area Number (085). The remaining six digits will be automatically determined by LOCCS and given to the caller during the drawdown session.

Block 2 - LOCCS Program Area:
Enter the four characters LOCCS Program Area – SCMF.

Block 3 - Period Covered by this Request:
Enter the time period in mmddyy format (e. g., From 050103 To 053103) that funds were/ will be expended.

Block 4 - Enter the name of the recipient organization that is requesting funds. It must be the same name that appears on the Grant Agreement.
    a. Enter the organization's Tax Identification Number (also called Employer Identification Number).
    b. Enter the organization's address

Block 5 - Enter the balance of funds on hand.

Block 6 - Voice Response Number: Enter your 10-digit VRS Number, which you received by mail.
Enter the Grant or Project Number that appears on your Grant Agreement.
Enter the amount requested and the Voucher total. All amounts must be entered as whole dollars.

Block 7 - Enter the name and title of the person authorized to request the funds. The authorizing signatory in Block 7 cannot be the same person(s) designated in BLOCK 3 of the HUD27054, LOCCS voice Response Access Authorization Form.